

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

In re:	x
CIRCUIT CITY STORES, INC., <u>et al.</u> ,	:
Debtors.	:
	Chapter 11
	:
	Case No. 08-35653 (KRH)
	:
	Jointly Administered
	:
	:
	:
	x

**FIRST INTERIM FEE APPLICATION OF STREAMBANK, LLC FOR
REIMBURSEMENT OF EXPENSES INCURRED AND FOR ALLOWANCE AND
PAYMENT OF COMPENSATION FOR SERVICES RENDERED**

Streambank, LLC ("Streambank") intellectual property consultant and advisor for Circuit City Stores, Inc., et al. (collectively the "Debtors" or the "Company"), files this final fee application for reimbursement of expenses incurred and for allowance and payment of compensation for services rendered (the "Application") from March 23, 2009 through July 31, 2009 (the "Period"). In support of this Application, Streambank LLC respectfully represents the following:

BACKGROUND

1. On November 10, 2008 (the "Commencement Date"), the Debtors commenced with this Court voluntary cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").
2. On April 17, 2009 the Debtors filed their Application For an Order Pursuant to 11 U.S.C. Sections 105 (a), 327(a), 328 and 1107 and Bankruptcy Rule 2014(a) Authorizing the Employment and Retention Streambank, LLC, as Intellectual Property Disposition Consultant to the Debtors effective March 23, 2009 (the "Employment Application") [Docket No.3097]. A copy of the Employment Application is attached to this Application as Exhibit A.

3. The Employment Application was supported as to Streambank by the Declaration of Gabriel F. Fried, a copy of which is included as part of Exhibit A.

4. On April 30, 2009, the Court entered its order (the "Employment Order") [Docket No.3218] authorizing the Debtors to retain Streambank. A copy of the Employment Order is attached to this Application as Exhibit B. Attached as part of Exhibit A hereto is the Retention Agreement, as amended (the "Agreement"), executed by the Company and Streambank. The Agreement includes provisions for Streambank to market and conduct sales of the Debtor's Intellectual Property. As set forth in Section 7 of the Agreement, Streambank is entitled to receive fees for the sale of the Debtor's intellectual property and other intangible assets as a percentage of the gross recovery received by the Company in addition to a management fee described in Section 6.

COMPENSATION AND REIMBURSEMENT REQUESTED

5. By this Application Streambank requests that this Court authorize and order (a) reimbursement of expenses incurred by Streambank in the provision of services for the Debtors in the amount of \$4,703.15 and (b) allowance of compensation for services rendered by Streambank on behalf of the Debtors in the amount of \$ 514,315.10, representing the fees earned and payment of \$00.00 of such fees, the amount not previously paid.

6. All expenses incurred and services performed by Streambank were incurred or performed for and on behalf of the Debtors and not for or on behalf of any other individual or entity. These expenses were incurred and services were rendered in discharge of Streambank's responsibilities as intellectual property disposition consultant for the Debtors. Streambank's services have been substantial, necessary and of significant benefit to the Debtors and their estates.

7. No agreement or understanding exists between Streambank and any other entity for the sharing of compensation to be received for services rendered in connection with this case.

SUMMARY OF EXPENSES INCURRED, SERVICES RENDERED AND FEES

8. Since the entry of the Employment Order, Streambank worked closely with the Debtors and their advisors to maximize the return for estate creditors and has acted at all times in the best interests of creditors and other parties in interest in this case.

9. During the First Interim Period, Streambank incurred expenses in the amount of \$4703.15 relating to travel to the Debtors' offices, mailing and internet marketing matters. Streambank invoiced the Debtors for this amount, a copy of which Invoice is attached to this Application as Exhibit B.

10. Streambank was paid a management fee of \$50,000 pursuant to the arrangement for Group 2 Assets in the Agreement.

11. As a result of the efforts of Streambank and the Debtors' other professionals, through July 31, 2009 the Debtors were able to achieve gross proceeds from various intellectual property transactions, as follows:

Streambank identified and solicited two bidders to compete against the Systemax Stalking Horse offer [Docket No. 3071]. These two bidders raised the final sale price from \$6,500,000 with a 30-month earn-out to \$14,000,000 and an additional secured performance guarantee of at least \$3,000,000 for the earn-out as structured in the original stalking horse offer. As set forth in the "Agreement", Streambank's total fee for such recovery is \$464,315.10, equal to 5% of the improvement to gross proceeds above the stalking horse purchase price.

No amounts remain outstanding.

WHEREFORE, Streambank requests that the Court (i) approve the Debtors' reimbursement to Streambank of expenses incurred in the amount of \$4703.15, (ii) approve Streambank's fees in the amount of \$514,315.10, (iii) authorize payment of \$00.00, the presently unpaid portion of such fees, and (iii) grant Streambank such other and further relief as the Court deems just and proper.

September 14, 2009

Streambank, LLC

/s/ Gabriel F. Fried

Gabriel F. Fried

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Respectfully submitted by:

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